

**STATEMENT OF PROCEEDINGS FOR THE
REGULAR MEETING OF THE
CITY OF HUNTINGTON PARK OVERSIGHT BOARD**

**CITY OF HUNTINGTON PARK
CITY COUNCIL CHAMBERS
6550 MILES AVENUE
HUNTINGTON PARK, CALIFORNIA, 90255**

Thursday, May 17, 2012

6:00 PM

I. CALL TO ORDER

Chair Guerrero called the meeting to order at 6:00 p.m.

II. ROLL CALL

Present: Chair Elba Guerrero, Vice Chair Michelle Cervera, Board Members Eduardo Adame, Luis Buendia, and Yolanda Duarte

Absent: Richard Verches and Albert Fontanez

III. ADMINISTRATIVE MATTERS

1. Approval of Minutes of May 3, 2012. (12-2142)

Chair Guerrero asked that Item #6 be clarified to reflect that the item would come back for discussion and the Oversight Board did not give direction to the Successor Agency to seek legal counsel. Vice Chair Cervera requested that the naming of the minutes/statement of proceedings match the naming on the agenda.

On motion of Chair Guerrero, seconded by Vice Chair Cervera, the Statement of Proceedings from May 3, 2012 was unanimously approved with the following amendments:

- Agenda Item 6, Page 4: change to "2012 for further discussion, on the consideration to and direction to the Successor...."
- Agenda Item 3, Page 3: "Item No. 13 - Carmelita Project" add "the City of Huntington Park is interested in keeping this site".
- "Item No. 14 - Southland Steel Project" add "the City of Huntington Park interested in keeping this site".

Ayes: 5- Chair Guerrero, Vice Chair Cervera, Board Members Adame, Duarte, and Buendia

Absent: 2- Board Members Verches and Fontanez

2. **Establishment of dates, times and location of the regular meetings of the Oversight Board. (Continued from the meetings of 4-25-12 , 5-3-12 and 5-17-12) (12-1799)**

This item was tabled for discussion to the end of the agenda.

The Board unanimously agreed that the scheduling of the meeting dates be standing agenda item.

IV. RECOMMENDATIONS

3. **Revised Recommendation: Review and approve the Recognized Obligation Payment Schedules (ROPS) for the period of January 1, 2012 ~~February 1, 2012~~ - June 30, 2012. (Continued from the meetings of 4-25-12 and 5-3-12) (12-1800)**

A. On motion of Chair Guerrero, seconded by Board Member Adame, the following Line Items on the January 1, 2012 through June 30, 2012 ROPS were unanimously approved:

- Line Items 1, 2, 3, 4, 13, 13.1, 14, 14.1, 15-with amendments, 16, 16.1, 16.2, and 18.

Ayes: 5- Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia, and Duarte

Absent: 2- Board Member Verches and Fontanez

Line Item 1: Project Name: Tax Allocation Refunding Bond 1994 Series A

On Motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously approved.

Line Item 2: Project Name: Public Funding Lease Agreement 2007

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously approved.

Line Item 3: Project Name: Loan Agreement/Promissory Note Merged Redevelopment (Santa Fe) Project

Staff clarified that this is a swap agreement with a 3.6% fixed interest rate and the interest is paid monthly.

On motion of Vice Chair Cervera, seconded by Board Member Buendia, this item was unanimously approved.

Line Item 4: Project Name: Loan Agreement/Promissory Note Neighborhood Preservation Project

Staff clarified that this is a swap agreement with a 3.6% fixed interest rate and the interest is paid monthly. The bank may terminate after ten years and the City can pay or get another loan.

On motion of Board Member Adame, seconded by Vice Chair Cervera, this item was unanimously approved.

Line Item 13: Project Name: Carmelita Project Relocation Benefits

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously approved.

Line item 13.1: Project Name: Carmelita Relocation Services

Staff clarified that there have been payments made in the total amount of \$2,500 on the January 1, 2012-June 30, 2012 ROPS and the total amount of \$2,500 is scheduled for payment on the July 2012-December 2012 ROPS.

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously approved.

Line Item 14: Southland Steel California Land Reuse and Revitalization Act (CLRRA) Agreement

Staff clarified that there are contamination issues at this property and there is a contract for this agreement.

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously approved.

Line Item 14.1: Agreement to prepare plans as required by DTSC for clean-up of the Southland Steel site

Staff clarified that the former Redevelopment Agency (RDA) entered into contract for this item on October 6, 2008.

On motion of Vice Chair Cervera, seconded by Chair Guerrero, the item was approved with the following vote:

Ayes: 4- Chair Guerrero, Vice Chair Cervera, Board Members Adame and Duarte

Noes: 1- Board Member Buendia

Absent: 2- Board Members Verches and Fontanez

Line 15: Malabar Affordable Housing Relocation Project

Staff clarified the \$50,000.00 listed as the Total Outstanding Debt or Obligation as of February 1, 2012 was an estimate. The actual amount was \$26,847.00 and has been paid.

On motion of Board Member Duarte, seconded by Vice Chair Cervera, the item was unanimously approved with the following amendments:

- *On the January 1, 2012-June 30, 2012 ROPS, delete the amount of "\$50,000.00" in the "Total Outstanding Debt or Obligation" column and replace with "\$26,847.00".*
- *On the January 1, 2012-June 30, 2012 ROPS, delete the amount of "\$26,847.00" in the "Total For Feb. 1, 2012 to Jun. 30, 2012" column and replace with "\$0" to reflect a zero balance on the July 1, 2012-December 31, 2012 ROPS.*
- *On the July 1, 2012-December 31, 2012 ROPS, delete the words "PROJECT COMPLETED" in the "Total Outstanding Debt or Obligation" column and replace with "\$0".*

Line Item 16: Project Name: Middleton Affordable Housing Project

Staff reported that this project has not been started.

On motion of Board Member Adame, seconded by Vice Chair Cervera, the item was unanimously approved.

Line Item 16.1: Project Name: Middleton Project Relocation Benefits

On motion of Board Member Adame, seconded by Board Member Buendia, this item unanimously was approved.

Line Item 16.2: Project Name: Middleton Project Relocation Services

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously approved.

Line Item 18: Capital Improvement Project

Staff clarified that the Total Outstanding Debt or Obligation as of February 1, 2012 of \$42,000 with a payment in full in June 2012, is a retainer amount and the line item does not appear on the July 1, 2012-December 31, 2012 ROPS.

On motion of Vice Chair Cervera, seconded by Chair Guerrero, the item was unanimously approved.

B. On motion of Board Member Duarte, seconded by Chair Guerrero, the following Line Items on the January 1, 2012 through June 30, 2012 ROPS were unanimously voted as not being recognized enforceable obligations and were not approved for payment:

- **Line Items 5, 6, 7, 8, 9, 10, 11, 12, 13.2, 13.3, 14.3, 16.3, 17, and 19.**

Ayes: 5- Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia, and Duarte

Absent: 2- Board Member Verches and Fontanez

Line Item 5: Project Name: City loan entered into on 2/7/2005

Exclude city loans must be entered within two years of the RDA being created. The Huntington Park RDA was created in 1969.

On motion of Vice Chair Cervera, seconded by Board Member Adame, the item was unanimously voted as not being a recognized enforceable obligation.

Line Item 6: Project Name: City loan entered into on 8/7/2006

On motion of Vice Chair Cervera, seconded by Board Member Adame, the item was unanimously voted as not being a recognized enforceable obligation.

Line Item 7: Project Name: City loan entered into on 9/7/2007

On motion of Vice Chair Cervera, seconded by Board Member Adame, the item was unanimously voted as not being a recognized enforceable obligation.

Line Item 8: Project Name: City Loan entered into prior to June 2002

On motion of Vice Chair Cervera, seconded by Chair Guerrero Adame, the item was unanimously voted as not being a recognized enforceable obligation.

Line Item 9: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted November 21, 2005.

On motion of Vice Chair Cervera, seconded by Board Member Buendia, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 10: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted November 21, 2005.

On motion of Vice Chair Cervera, seconded by Chair Guerrero, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 11: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted May 15, 2006.

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 12: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted May 15, 2006.

On motion of Vice Chair Cervera, seconded by Chair Guerrero, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 13.2: Project Name: Carmenita Project Demolition

On motion of Chair Guerrero, seconded by Board Member Adame, the Board was voted as to whether or not this item was a recognized enforceable obligation presented by the City of Huntington Park on the ROPS, with the following vote:

Vice Chair Cervera, Board Members Adame, Buendia and Duarte voted that the item was not a recognized enforceable obligation

Chair Guerrero voted the item was a recognized enforceable obligation.

Therefore, the item was voted as not being a recognized enforceable obligation.

Line Item 13.3: Project Name: Carmelita Project Delivery

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 14.3: Project Name: Southland Steel Project Delivery

Staff stated that this line item was not part of the administrative costs because it is related to a specific project.

On motion of Board Member Adame, seconded by Vice Chair Cervera, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 16.3: Project Name: Middleton Project Delivery

Staff stated that this line item was not part of the administrative costs because it is related to a specific project.

On motion of Vice Chair Cervera, seconded by Board Member Adame, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 17: Project Name: Legal Services

On motion of Board Member Adame, seconded by Vice Chair Cervera, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 19: Project Name: Property Tax Audit

On motion of Vice Chair Cervera, seconded by Chair Guerrero, this item was unanimously voted as not being a recognized enforceable obligation.

C. On motion of Chair Guerrero, seconded by Board Member Buendia, the following Line Items on the January 1, 2012 through June 30, 2012 ROPS were unanimously voted to be extracted from the ROPS for consideration at a future meeting:

- **Line Items 14.2 and 20**

Ayes: 5- Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia, and Duarte

Absent: 2- Board Member Verches and Fontanez

Line Item 14.2: Project Name: Implement clean up of the Southland Steel Site

Staff stated that the amount listed as the Total Outstanding Debt or Obligation as of February 1, 2012 was an estimate. The Board had various questions regarding the contract and the EPA grant.

On motion of Board Member Duarte, seconded by Vice Chair Cervera, the item was unanimously voted to be extracted from the ROPS for consideration at a future meeting, with the following requests:

- *Request staff to provide all copies of executed agreements, list of payees, and underlying contracts with the dates and descriptions as to whether or not they are enforceable obligations*
- *Request staff to provide a copy of the EPA grant.*

Line Item 20: Project Name: Graffiti Clean Up

On motion of Vice Chair Cervera, seconded by Board Member Adame, the item was unanimously voted to be extracted from the ROPS for consideration at a future meeting, with the following request:

- *Request staff to provide a break-down of the funding sources.*

D. On motion of Vice Chair Cervera, seconded by Board Member Adame, the Board unanimously voted to extract all 16 of the Pass-Through Obligations listed on the January 1, 2012 through December 31, 2012 ROPS for consideration at a future meeting with the following request:

- **Request staff to provide supporting documents for the 16 Pass-through Obligations listed on the ROPS**
- **Request a copy of the Executive Summary or Capsules from the consultants.**

Attachments: [Revised ROPS January 1, 2012 - June 30, 2012](#)

[ROPS Jan - Jun 2012 and Jul - Dec 2012 Supporting Document](#)

4. Recommendation: Review and approve the Recognized Obligation Payment Schedules (ROPS) for the period of July 1, 2012 - December 31, 2012. (Continued from the meetings of 4-25-12 and 5-3-12) (12-1801)

A. On motion of Board Member Duarte, seconded by Vice Chair Cervera, the following Line Items on the July 1, 2012 through December 31, 2012 ROPS were unanimously approved:

- **Line Items 1, 2, 3, 4, 13, 13.1, 14, 14.1, 15-with amendments, 16, 16.1, 16.2, and 18-with amendments.**

Ayes: 5- Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia, and Duarte

Absent: 2- Board Member Verches and Fontanez

Line Item 1: Project Name: Tax Allocation Refunding Bond 1994 Series A

Line Item 2: Project Name: Public Funding Lease Agreement 2007

Line Item 3: Project Name: Loan Agreement/Promissory Note Merged Redevelopment (Santa Fe) Project

Line Item 4: Project Name: Loan Agreement/Promissory Note Neighborhood Preservation Project

On motion of Vice Chair Cervera, seconded by Board Member Adame, Line Items 1, 2, 3, and 4 were unanimously approved.

Line Item 13: Project Name: Carmelita Project Relocation Benefits

Line item 13.1: Project Name: Carmelita Relocation Services

On motion of Board Member Adame, seconded by Chair Guerrero Line Items 13 and 13.1 were unanimously approved.

Line Item 14: Southland Steel California Land Reuse and Revitalization Act (CLRRA) Agreement

On motion of Vice Chair Cervera, seconded by Chair Guerrero this item was unanimously approved.

Line Item 14.1: Agreement to prepare plans as required by DTSC for clean-up of the Southland Steel site

On motion of Vice Chair Cervera, seconded by Chair Guerrero, the item was approved with the following vote:

Ayes: 4- Chair Guerrero, Vice Chair Cervera, Board Members Adame and Duarte

Noes: 1- Board Member Buendia

Absent: 2- Board Members Verches and Fontanez

Line 15: Malabar Affordable Housing Relocation Project

On motion of Board Member Buendia, seconded by Board Member Duarte, the item was unanimously approved with the following amendment:

- On the July 1, 2012-December 31, 2012 ROPS, delete the words "PROJECT COMPLETED" in the "Total Outstanding Debt or Obligation" column and replace with "\$0" and to indicate elsewhere that the Project is Complete.*

Line Item 16: Project Name: Middleton Affordable Housing Project

Line Item 16.1: Project Name: Middleton Project Relocation Benefits

Line Item 16.2: Project Name: Middleton Project Relocation Services

On motion of Vice Chair Cervera, seconded by Board Member Adame, Line Items 16, 16.1, and 16.2 were unanimously approved.

Line Item 18: Capital Improvement Project

On motion of Vice Chair Cervera, seconded by Board Member Buendia, the item was unanimously approved with the following amendment:

- *On the July 1, 2012-December 31, 2012 ROPS, delete the words "PROJECT COMPLETED" in the "Total Outstanding Debt or Obligation" column and replace with "\$0" and to indicate elsewhere that the Project is Complete.*

B. On motion of Board Member Duarte, seconded by Vice Chair Cervera, the following Line Items on the July 1, 2012 through December 31, 2012 ROPS were unanimously voted as not being recognized enforceable obligations and were not approved for payment:

- **Line Items 5, 6, 7, 8, 9, 10, 11, 12, 13.2, 13.3, 14.3, 16.3, 17, and 19.**

Ayes: 5- Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia, and Duarte

Absent: 2- Board Member Verches and Fontanez

Line Item 5: Project Name: City loan entered into on 2/7/2005

Line Item 6: Project Name: City loan entered into on 8/7/2006

Line Item 7: Project Name: City loan entered into on 9/7/2007

Line Item 8: Project Name: City Loan entered into prior to June 2002

Line Item 9: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted November 21, 2005.

Line Item 10: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted November 21, 2005.

Line Item 11: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted May 15, 2006.

Line Item 12: Project Name: Agreement between the City of Huntington Park and Community Development Commission establishing certain City/Agency relationship. Adopted May 15, 2006.

On motion of Vice Chair Cervera, seconded by Board Member Adame, Line Items 5, 6, 7, 8, 9, 10, 11 and 12 were unanimously voted as not being a recognized enforceable obligation.

Line Item 13.2: Project Name: Carmenita Project Demolition

Line Item 13.3: Project Name: Carmelita Project Delivery

On motion of Vice Chair Cervera, seconded by Board Member Adame, the Board voted as to whether or not line items 13.2 and 13.3 were recognized enforceable obligations presented by the City of Huntington Park on the ROPS, with the following vote:

Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia and Duarte voted that the item was not a recognized enforceable obligation

Therefore, line Items 13.2 and 13.3 were unanimously voted as not being a recognized enforceable obligation.

Line Item 14.3: Project Name: Southland Steel Project Delivery

On motion of Vice Chair Cervera, seconded by Board Member Adame, the Board voted as to whether or not this item was recognized enforceable obligations presented by the City of Huntington Park on the ROPS, with the following vote:

Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia and Duarte voted that the item was not a recognized enforceable obligation

Therefore, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 16.3: Project Name: Middleton Project Delivery

On motion of Vice Chair Cervera, seconded by Board Member Adame, the Board voted as to whether or not this item was recognized enforceable obligations presented by the City of Huntington Park on the ROPS, with the following vote:

Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia and Duarte voted that the item was not a recognized enforceable obligation

Therefore, this item was unanimously voted as not being a recognized enforceable obligation.

Line Item 17: Project Name: Legal Services

The Board voiced concerns with this item and felt that it should be part of the administrative budget.

On motion of Vice Chair Cervera, seconded by Board Member Adame, the Board voted as to whether or not this item was recognized enforceable obligations presented by the City of Huntington Park on the ROPS, with the following vote:

Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia and Duarte voted that the item was not a recognized enforceable obligation

Therefore, this item was unanimously voted as not being a recognized enforceable obligation

Line Item 19: Project Name: Property Tax Audit

On motion of Vice Chair Cervera, seconded by Board Member Adame, the Board voted as to whether or not this item was recognized enforceable obligations presented by the City of Huntington Park on the ROPS, with the following vote:

Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia and Duarte voted that the item was not a recognized enforceable obligation

Therefore, this item was unanimously voted as not being a recognized enforceable obligation.

C. On motion of Board Member Duarte, seconded by Chair Guerrero, the following Line Items on the July 1, 2012 through December 31, 2012 ROPS were unanimously voted to be extracted from the ROPS for consideration at a future meeting:

- **Line Items 14.2 and 20**

Ayes: Chair Guerrero, Vice Chair Cervera, Board Members Adame, Buendia, and Duarte

Absent: Board Member Verches and Fontanez

Line Item 14.2: Project Name: Implement clean-up of the Southland Steel Site

On motion of Board Member Duarte, seconded by Chair Guerrero, the item was unanimously voted to be extracted from the ROPS for consideration at a future meeting, with the following requests:

- *Request staff to provide all copies of executed agreements, list of payees, and underlying contracts with the dates and descriptions as to whether or not they are enforceable obligations*
- *Request staff to provide a copy of the EPA grant.*

Line Item 20: Project Name: Grafitti Clean Up

On motion of Board Member Duarte, seconded by Vice Chair Cervera, the item was unanimously voted to be extracted from the ROPS for consideration at a future meeting, with the following request:

- *Request staff to provide a break-down of the funding sources.*

Attachments: [Revised ROPS July 2012 - December 2012](#)

5. Recommendation: Review and approve the Successor Agency Administrative Budget. (Continued from the meetings of 5-3-12 and 5-17-12) (12-1899)

Following discussion, on motion of Vice Chair Cervera, seconded by Board Member Buendia, the Board unanimously voted to continue this item to the next meeting.

Attachments: [Successor Agency Administrative Budget](#)

V. DISCUSSION ITEMS

6. Initiate process for retaining Legal Counsel Services. (Continued from the meetings of 4-25-12, 5-3-12 and 5-17-12) (12-1802)

Vice Chair Cervera stated that the fees associated with Legal Counsel will need to be on the Administrative Budget and until the Board reviews the revised Administrative Budget, this item will have to be continued. Jack Wong, staff for the Successor Agency, provided a staff report on the solicitation process to obtain legal counsel. Mr. Wong also shared with the Board that other Oversight Board are doing simpler process to obtain legal counsel in the form of informal Request for Qualifications.

The Board unanimously agreed to continue this item to the next meeting, pending additional information from the staff.

Attachments: [Staff Report - Retaining Legal Counsel](#)

- 7. Request the Successor Agency to provide documentation of all encumbered and unencumbered Low and Moderate Housing Funds. (Continued from the meetings of 5-3-12 and 5-17-12) (12-1897)**

This item was continued to the next meeting, pending additional information from the staff.

- 8. Report by the Successor Agency on the sufficiency of cash flow. (Continued from the meetings of 5-3-12 and 5-17-12) (12-1898)**

Vice Chair Cervera requested a comprehensive break down of the sufficiency of cash flow.

The Board unanimously agreed to continue this item to the next meeting, pending additional information from the staff.

Attachments: [Successor Agency on the sufficiency of cash flow](#)

- 9. Request the Successor Agency to remit unencumbered fund balances to the Los Angeles County Auditor-Controller for distribution to the taxing entities, including the unencumbered balances of Low and Moderate Income Housing Funds. (Continued from the meetings of 5-3-12 and 5-17-12) (12-1900)**

The Board unanimously agreed to continue this item to the next meeting, pending additional information from the staff.

VI. MISCELLANEOUS

- 10. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (12-2143)**

The Board requested that staff provide requested material well in advance of the next meeting.

- 11. Public comment. (12-2144)**

There was none.

- 12. Adjournment. (12-2145)**

The meeting was adjourned at 10:18 p.m. The next regular meeting is scheduled for Thursday, June 7, 2012.